BUSINESS RESOURCE CENTRE

MG-857

92-02267/

Forms of Business Organization

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Manitoba
Industry, Trade
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INTRODUCTION

One of the many decisions that you must make in starting your business concerns the legal form that the organization of the business will take. There seems to be a good deal of mystery surrounding the whys and wherefores of becoming a 'limited company' or 'corporation', and certainly there are many misconceptions about the benefits of incorporating vs remaining a sole proprietorship. The basic purpose of this Business Resource handbook is to outline the characteristics of the various forms of business organization, and to point out the advantages and disadvantages of assuming those forms. It is hoped it will provide you, the small business-person, with a better understanding of the legalities involved. It should dispel some of the mystique surrounding the 'limited company'. It is not intended, however, to replace the need for legal advice in actually taking steps to assume one of the forms of organization. Most people are not able to handle the procedure without legal counsel because of the complexities involved (especially in incorporating).

There are four types of business organization:

1. Sole Proprietorship
2. Partnership
3. Corporation
4. Co-operative

The appropriate form for your particular business depends on a number of factors, including the number of persons involved in the enterprise, the type of business, the capital requirements, your own tax position, and so on. In some instances there are legal prohibitions as well - lawyers and chartered accountants cannot, by law, form corporations to carry on their business.

SOLE PROPRIETORSHIP

A sole proprietorship is a business which is owned by only one person, and which, in the eyes of the law, is not a separate entry from that individual. The assets of the business are owned by the individual, and the revenue and expenses are included in his/her income tax return. It is a

very common form of business organization, one that is used by most small businesses, especially in the early stages of their development.

Advantages

The primary advantage of the sole proprietorship is its ease of formation and organization. It is both simple and inexpensive to create and dissolve. The basic requirements of creation are a name registration and licensing with the relevant authorities, as outlined in the Business Resource Centre publication, "Starting a Small Business in Manitoba: A Guide to the Basic Legal Requirements". (See Appendix for registration forms & instruction sheet.)

A secondary advantage is that the sole proprietorship does not have to pay the Capital Tax as does a corporation.

Disadvantages

These advantages could be outweighed by the disadvantages;

1. unlimited liability: since the business and the proprietorship are not recognized by the law as being separate, the owner can be held personally liable for all debts of the business. Personal assets, such as the house and automobile, can be seized for non-payment of bills, provided the necessary legal steps have been taken to do so. To avoid such an unfortunate occurrence, some entrepreneurs register certain personal assets in the name of their spouse. This is allowed as long as it is done well before the financial problems of the business are encountered, otherwise the court may very well construe that act as a deliberate act to outmanoeuvre creditors, and will not allow it.

2. raising capital: one person acting alone in an enterprise may be unable to raise the capital required to launch and operate the business. Many small businesses encounter financial problems, as their owners are reluctant to share ownership with others who are able to contribute the needed funds.

3. taxation: the tax disadvantages of the sole proprietorship are discussed more fully below as advantages of incorporation. Tax rates for a sole proprietorship can be higher than those of a corporation, depending on the income level of the owners. The sole proprietor includes the revenues and expenses from the business on his/her personal tax return, and the income is taxed at whatever his/her personal rate happens to be. There are certain situations when the sole proprietorship is in a better position taxwise. If the business suffers a loss, and the owner has income from other sources, the business loss can be used to offset that other income. If the business loss exceeds the other income, the unused portion of that loss can be carried forward or back to offset income in subsequent years. The business thus offers its owner a "tax shelter". Losses sustained by a corporation can only be used to offset income earned by the corporation either in the three previous years or the following seven years. In addition two thirds of capital earned by a corporation has to be taken into income and is taxed at the corporate rate while individuals have a $100,000 lifetime capital gains exemption. This means the first 100,000 if taxable capital gains are exempt from tax. The taxation implications of the business forms are quite complex, and as mentioned are discussed in greater detail below. In any event, this is one area that requires professional input.

PARTNERSHIP

A partnership is 'the relation that subsists between persons carrying on a business in common with a view to profit', except, of course, if that relation is formalized as shareholders in a corporation. "Person" is defined in Manitoba as including a corporation and a partnership itself. A partnership can come into existence either through a written or oral agreement, or by implication. That is, there may be certain situations when individuals, working in concert, are held by court to be partners, even though they have not formally agreed to be partners.

PARTNERSHIP ACT

In the event that there is no agreement, or that certain, matters are not covered by the agreement, the Partnership Act sets out a number of provisions which govern the conduct of the partnership. The Act also has certain general provisions regulating all partnerships. The provisions, unless otherwise agreed, include:

- all partners are entitled to share equally in the capital formation and profits of the business and must contribute equally to replace capital due to losses. Many partnerships provide for some other split of profits and losses, depending on the contribution of the partners to the management of the enterprise.

- no partner shall be entitled to remuneration for acting in the partnership business. Remuneration for the partners comes in the form of their share of the profits.

- no person may be introduced as a partner without the consent of all existing partners. This prevents a partner from enlisting other partners so that he/she can gain control of the business unless a formal "Buy/Sell" Agreement exists.

- any differences arising as to ordinary matters connected with the partnerships business may be decided by a majority of the partners, but no change may be made in the nature of the partnership business without the consent of all existing partners. Disputes may arise, therefore, as to whether the matter is 'ordinary' or 'affects the nature of the business'.

Other terms in the Act cover the rights of the partners to inspect the books of account and the dissolution of the partnership. It is wise when forming a partnership to seek legal advice, so that the full implications of the law are understood before the venture is undertaken.

The Written Agreement

It is wise to prepare a written partnership agreement, as a reference to help settle any subsequent disputes. The best of friends can have bitter arguments about the conduct of their joint business enterprise, so it is best to resolve possible points of contention at the outset, and also to make provision for the settling of issues of disputes. The purpose of the agreement is to set out the rights and responsibilities of the partners, the capital contributions of each partner, the division of profits and losses, the time and energy that each partner will devote to the business, as well as provisions for retirement, death, termination and/or reorganization. (See page 6 Buy/Sell Clause)

As mentioned, the Partnership Act has default provisions which cover certain matters and situations, but it is recommended that the partners formulate their own agreement. Legal advisors can help in writing the agreement to avoid ambiguous words, pitfalls, unconscious interpretations of words, and to point out difficult to foresee circumstances.

Advantages

The major advantage of the partnership is that it is simpler and less expensive to form than the corporation, while allowing for the pooling of both talent and capital. It should be noted that a spouse can be a bona fide partner. Although a partnership is validly formed by agreement, noted at the formation, any change in membership must be filed at the Corporations Branch under the Manitoba Business Names Registration Act.

Disadvantages: liability

There are several disadvantages to the partnership. As was the case for sole proprietor, partners are liable personally for the debts of the business. A partner is liable jointly with the other partners (a) for all debts and obligations of the firm incurred while he/she is a partner and (b) for any wrongful act or omission of any partners acting in the ordinary course of the business of the firm (i.e., he/she is liable for their

negligence). Perhaps the greatest risk of liability arises from the fact that any partner can contractually obligate the firm. According to the Act, 'every partner is an agent of the firm and his/her other partners for the purpose of the business of the partnership, and the acts of every partner who does any act for carrying on in the usual way business of the kind carried on by the firm of which he/she is a member, binds the firm and its partners', unless the authority of the partner has been restricted by agreement with the other partners and the third party knows of the agreement. In other words, if your partner purchases a typewriter for the office without your agreement, you may have no recourse but to accept and pay for the machine, unless you have previously agreed that he/she did not have the authority to place such an order, and the typewriter company knew of that agreement. Thus you have to be careful that the partners you select are capable of exercising sound business judgement, or you may find that the business and yourself are led to financial ruin.

Partners are not only jointly liable, they are also severally liable. Creditors seeking settlement of debts first make claims against assets jointly held by the partners. Once those assets are exhausted, creditors may seek the assets of individuals partners (if their claim is not completely settled). A partner may be compelled by a creditor to pay the partnership debt. Although this partner may claim contribution from his/her other partners for their agreed share after he/she has paid the creditor, this claim is often worthless if his/her other partners are insolvent.

In order to legally constitute a limited partnership, a notice must be filed in accordance with the provisions of the Manitoba Business Names Registration Act.

<u>Disadvantages:</u> other

There are other disadvantages to the partnership form, related mainly to its limited life. It is generally difficult to change ownership, as the partnership must be dissolved and reconstituted each time a partner wants to retire or dies. It is very important, then, to provide for the withdrawal of a partner in the partnership agreement. A 'buy-sell' clause should

outline the procedure to be followed should a partner either wish to sell his/her interest to the other partners or to buy their interests. As well, the agreement should provide for some means of ascertaining the value of the partership upon the death or insolvency of one of the partners, so that the remaining partner(s) can buy out the share of the deceased or insolvent partner and save the business from collapse. Life insurance is often used as the means of buying out a deceased partner. This particular situation underscores the importance of making a partnership agreement at the outset if the business enterprise and of obtaining professional advice.

Limited Partnerships

There is one kind of partnership, a limited partnership, where the above liability rules do not apply. A limited partner has a liability limited to the amount he/she has paid in cash as capital to the enterprise. In a limited partnership, however, there must be one or more general partners, or partners with unlimited liability. A limited partner is prohibited from taking an active part in the business. If he/she does, he/she becomes a general partner, losing the protection of his/her limited liability with respect to a person with whom he/she deals and who does not know him/her to be a limited partner. Limited partners are 'taking an active part' if they personally transact any business on account of the firm or are employed for that purpose as agent or lawyer. They can inquire about the firm's progress and advise management.

CORPORATION

A corporation, also known as a limited company, is a legal 'person'. It is an entity recognized by the legal system as having rights and duties under that system. A corporation can own property, it can sue or be sued, and it files income tax returns. Unlike its human owners, a corporations is immortal, continuing to exist when owners pass on. The owners of a corporation are called shareholders, as they are entitled to share in the profits of the business.

Shareholders elect directors who in turn elect executives who are responsible for the overall supervision of the corporation. The day-to-day operation of the business is left to the Managing Director or Chief Executive Officer and other officers. A director must be a living person, sane, and not be a bankrupt (in the process of personal bankruptcy). In a small corporation, the shareholders, directors and officers could well be the same people. According to Manitoba law, there need be only one shareholder and one director, so it is possible to have a single person corporation. To be classed as a private corporation, there must not be more than 50 shareholders.

If all the shareholders sign an agreement to that effect, the powers of the directors can be exercised in whole or in part by all or some of the shareholders. Notice of the existence of such a "unanimous shareholder agreement" must be filed with the Corporations Branch.

Private and Public Corporations

There are two general types of corporations under the Manitoba Securities Act, the public and the private. A public corporation offers its registered securites (shares) for sale to the general public once its prospectus meets with Regulatory Agencies approval. The shares are generally traded on a stock exchange, in Canada either the Toronto Stock Exchange, the Vancouver Stock Exchange, or the Winnipeg Stock Exchange (each stock exchange has filing requirements which must be met). Such companies as Inter-City Gas, Canadian Tire, Consumer's Distributing, and Versatile are public corporations. There are no restrictions on the public transfer of shares of public companies, provided you are not an "insider" as defined by the Securities Act and no limits on the number of shareholders. If you own shares of Inter-City Gas and wish to sell them to someone, you are free to do so. Public corporations are under greater scrutiny regarding the disclosure of financial affairs, insider trading and proxy solicitiations. These controls are found in the Securities Act and Regulations and are designed to protect both the shareholders and potential investors.

Most small businesses, if they incorporate, will do so in order to qualify as a private corporation under the Securities Act. In a private corpora-

tion, the transfer of shares is, by its articles, restricted usually by making a transfer subject to approval by the Board of Directors or the other shareholders. The number of shareholders is by its articles, limited to not more than fifty. Incidentally, some large corporations such as Eaton's, are private corporations.

Federal vs. Provincial Incorporation

A company can incorporate either federally or provincially. If a business will be operating primarily in Manitoba, then it is advisable to incorporate provincially, because that procedure is simpler and less expensive. The provincial incorporation will allow it to do business in other provinces, but it cannot relocate its head office to another province. One of the major advantages of incorporating federally is that the head office can be located in any Canadian province, and it can be relocated if circumstances dictate. Still, the federal corporation must register in each province in which it is carrying on business. However, a Public Corporation must also register in the jurisdictions where it is publicly trading.

Disadvantages

There are disadvantages to incorporating. The first is that it is a costly procedure. The fee charged by the Corporations Branch (Manitoba) is $ 250.00, and most people need to hire a lawyer, which will cost an additional sum. There are annual requirements which make the corporation a more cumbersome form of organization to administer. An annual return must be filed with the Corporations Branch, and a separate tax return completed for the business.

With public corporations, very high local, organizational and administrative costs are associated with an "initial public offering". The degree of disclosure might be too much for a company whose product line is in a very competitive market, given the ease by which the "public" and therefore your competition can obtain information relative to your operations, it is normal for those who advise in the areas of public company formation to guide the client towards those business opportunities which show a world class, patentable or proprietary product, process or service.

Business losses incurred by a corporation can be used for taxation purposes only to offset income of the preceding three years and the seven succcessive years. If your business suffers losses in its first few years of operation, the losses of the early years could conceivably never be used to reduce tax liability. As a sole proprietorship, losses from the business can be used to offset income from other sources in the year in which they are incurred.

If losses are projected in the beginning years of the business, and you have income from other sources, it may well be to your advantage not to incorporate your business. It is to be hoped that you will never have to deal with such a situation.

Similarly allowable capital losses of a corporation can be written off only against taxable capital gains, while an individual in addition to offsetting capital losses can claim allowable business investment losses without limit against other income.

Advantages: general

There are a number of advantages to incorporating, many of which are related to taxation. Others include:

1. limited liability: the owner (shareholder) of a corporation is liable only for the amount he/she has paid or owes for his/her shares. If a corporation should go bankrupt, creditors will not be able to sue its shareholders for outstanding debts. Directors are liable for up to six months unpaid wages of employees under The Corporations Act. For a small corporation, this limited liability feature may have less significance. Lenders will often ask for personal guarantees from shareholders (owners) before they will authorize loans to the small corporation. These personal guarantees mean that the owner of the corporation is in much the same position as the sole proprietor, that is, his/her personal assets can be seized if the loan is defaulted. In certain instances, suppliers will also request personal guarantees from the owners of the small corporation. You must carefully monitor any personal guarantees on loans, reducing the guarantees as the loan is paid off.

2. ease of transfer of shares: if a shareholder wants to divest himself/herself of interest in the corporation, he/she has to sell the shares and not transfer a comglomeration of assets. In a private corporation, this sale will likely require the approval of the board of directors. In a partnership, a partnership, a partner cannot sell his/her interest without dissolving the partnership. This ease of transfer also allows for perpetual succession of the corporation (i.e., in the event of death of the owner). Though note that in the absence of a shareholder' agreement, there may be no market for the shares.

3. agency: a shareholder cannot obligate the corporation, as can one of the partners in a partnership. Shareholders do not automatically enjoy the right to order goods, sign sales contracts, hire employees, etc. Only agents or employees will have the capacity to do so.

4. separate existence: a shareholder can sue or contract with the corporation. A partner cannot contract with his/her firm.

5. raising capital: a corporation provides a facility for easier access to additional capital. Corporations, which are accepted by the Registrar Attorney General's Department by offering shares for sale, can attract capital required for expansion or operation. A sole proprietor cannot offer ownership to potential investors without changing the form of the organization to a partnership. The private corporation is limited, as previously mentioned, to having not more than 50 shareholders. The public corporation's ability to raise capital thus generally exceeds that of the private corporation. Though note that if shares are offered to the public, then the Securities Act is applicable, whether or not the corporation has more than 50 shareholders.

Advantages: taxation

In discussing the advantages of incorporating, many people refer to the tax advantages. They are, in some cases, quite complex. They will be outlined briefly, but this discussion is not intended to be complete, nor may it be applicable to your particular situation.

First, small Canadian controlled corporations are permitted to defer taxation in order to permit the growth of their companies. The tax rate for active business income for such corporations in Manitoba is approximately 24%. The Manitoba Business Tax Reduction applies to new small business Corporations (943-3401). The small business tax rate applies only to the first $200,000 earned per year. A sole proprietorship must pay income tax whatever the personal tax rate of the owner happens to be, on the full amount of the income earned by the business that year. That personal rate could easily be in excess of 26%.

The corporate form of organization thus allows for income splitting. The business files a tax return, as does the owner. The salary paid to the owner is a deduction in calculating corporate income. A corporation can pay a salary to the spouse of the owner, as can a sole proprietorship under legislation enacted in 1980. Salary paid to a spouse is deducted as a business expense, but must, of course, be commensurate with service provided by the spouse. Once the income of the business reaches a certain level, then the total tax paid by the corporation and the owner will be less than the owner of a sole proprietorship would pay. The exact level depends on the individual situation but as a ballpark figure one might use $25,000 - $30,000 (income after expenses).

Employee Compensation

Benefits can be paid to employees in different forms by a corporation. These forms include salaries, dividends, and profit sharing plans. Corporations can make contributions to a Deferred Profit Sharing Plan on behalf of employees. The contributions are allowed as a current tax deduction, but the employee pays no tax until withdrawals are made. This type of plan is not available to the sole proprietorship. Careful analysis needs to be made of each particular situation to determine the optimal structuring of an owner/manager's earnings. You should be aware of the different forms of compensation and, if necessary, consult an accountant for advice on which forms your business should utilize.

There are also taxation implications of transferring assets to a corporation from an unincorporated business. The transfer must take place at fair

market value, although there is provision in certain instances for a tax free transfer through section 85 of the Income Tax Act. If not, then capital gains may have to be paid if an individual no longer can make the $100,000 capital gains exemption. It is possible for the individual to retain ownership of certain assets and lease them to the corporation.

Administration of the Corporation

As mentioned, the owners of the corporation, the shareholders, elect a board of directors who establish policy for the business. Everyday operation is left to the officers and employees. In many cases, in a small corporation, one individual fulfills all three roles. Small corporations may pass unanimous shareholder resolution or have a unanimous shareholder agreement under which all management functions can be put under the control of the shareholder(s) alone. Directors can make bylaws governing items such as the allotment of shares, declaring and paying dividends, appointing and paying officers/employees, scheduling shareholders' meetings, and so on.

Incorporation Procedures

If you wish to register your business as a corporation, then certain procedures must be followed. It is advisable, because of the complexities involved in taxation laws and the registration requirements, to contact a lawyer to guide you through the process. It is possible to register a corporation without the services of a lawyer. Guides to self-incorporation are available at many bookstores, and they outline the steps that must be taken in detail.

It is mandatory to reserve the name of your corporation before you actually file the articles of incorporation. The name should be distinctive, and it should to some degree, describe the type of business involved (hotel, plumbing, etc.,). The name must end in Limited, Incorporation, Corporation, or some shortened version thereof.

The actual registration of the corporation involves filing what are called the articles of incorporation with the federal or provincial authorities (see page 16 for the addresses). These articles contain such items of

information as the name of the business, the place of the business, the number, names and addresses of the directors (a majority must be Canadian), the classes of shares and their attached rights and privileges, share transfer restrictions, restrictions on the number of shareholders, and so on. There are forms which are filled out with all of this necessary information (Appendix I for sample forms & instructions.) To provide an example of the detail involved, you must describe the types and classes of shares. Classes of shares can be called anything...Class A, Class B, Common, Preferred, etc. Many corporations have both common and preferred shares. Common shares are generally, but not necessarily, voting shares, with no limits on dividends paid. Preferred shares generally have some fixed dividends, and are 'preferred' in the sense that no dividends can be paid to common shareholders until the preferred shareholders are paid. Preferred shares can be voting or non-voting. You must decide how many and what types of shares your corporation will have.

You must receive some guidance, either from a lawyer or from a guide of some kind, before you will be able to complete your articles of incorporation. You are allowed to inspect the articles of incorporation for other corporations by paying a small fee. This is done at the Corporations Branch on the 10th Floor at 405 Broadway Avenue in Winnipeg. Articles of corporations incorporated federally are on file in Ottawa/Hull.

There are other requirements which must be met as well. At the registered office of the corporation, you are required to have copies of the articles and bylaws, minutes of the shareholders' meetings, a directors' register and a securities register. Post incorporation meetings must be held to make by-laws, to authorize the issue of shares and to appoint officers. An annual return showing the company's state of affairs is required by the Corporations Branch as well.

Note: Manitoba Corporation Act - a majority must be residents of Canada
Canadian Business Corporation Act - a majority must be Canadians, resident in Canada

An annual meeting of the shareholders must be held to ratify the actions of the directors, to elect, appoint or dispense with the appointment of auditors, and to elect the directors for the coming year. A directors' meeting must be held to call that shareholders' meeting, to discuss the previous year to approve the financial statements and to appoint officers.

It should be quite evident that both to register and administer a corporation is complex and requires some expertise. A proper estimation of the benefits to be derived from incorporating must be made before taking steps to do so.

CO-OPERATIVE

A distinct form of corporation, the co-operative must be specially noted. There are a number of differences of great importance between it and the ordinary corporation. First, a co-operative is organized and operated for the purpose of providing its own shareholders or members with goods or services. Second, regardless of the number of shares he/she possesses, no shareholders has more than one vote. Third, the legislation. Fourth, the co-operative's surplus is returned to the members in the form of patronage refunds sometimes called patronage dividends. Each member receives a share of that surplus proportionate to the business done by the member with or through the co-operative. Manitoba Co-operative Consumer and Corporate Affairs provides information and much of the legal expertise you will require to start a co-operative.

For information on starting and incorporation of co-operatives, contact:

The Director
Manitoba Co-operative Consumer and Corporate Affairs
8th Floor - 215 Garry Street
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-3682
Toll free: 1-800-282-8069

CONCLUSION

The purpose of this handbook is to provide you, the small businessperson, with a better understanding of the various forms of business organization. It is not intended for use as a guide in actually forming a partnership or corporation (to form a sole proprietorship is very simple), but only to be used as a source of information so that you can perhaps more intelligently select that form which is most appropriate for your particular situation. The advisability of consulting with experts, accountants or lawyers, must be underscored.

There are other Business Resource publications and handbooks available at the Business Resource Centre in Winnipeg and Western Regional Office, Brandon and include management handbooks on financing, marketing and bookkeeping as well as business development plans for manufacturing, construction, retail and service businesses.

More information about the federal laws governing forms of business organization can be obtained by contacting:

Information Officer
Consumer and Corporate Affairs of Canada
201 - 260 St. Mary Avenue
Winnipeg, Manitoba R3C 1B2
Telephone: (204) 983-2366

Information about provincial laws can be obtained by contacting:

Corporation Branch
Manitoba Co-operative Consumer & Corporate Affairs
10th Floor - 405 Broadway Avenue
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2500

For further information contact the Manitoba Department of Industry, Trade & Tourism at:

Business Resource Centre
6th Floor - 155 Carlton
Winnipeg, Manitoba
R3C 3H8
Telephone: 945-7738 or toll free at 1-800-282-8069
in Manitoba

OR

Western Regional Office
P.O. Box 1300
231 - 10 Street
Brandon, Manitoba
R7A 6N1
Telephone: Area Code (204) 726-6250

APPENDICES

Articles of Incorporation - and instructions for completion

Name Search and Transmittal Notice

Consent to Act as a First Director

Annual Return

Manitoba New Small Business Tax Reduction

Manitoba

Consumer and Corporate Affairs

Corporations and Business Names

1010 Woodsworth Building
405 Broadway
Winnipeg, Manitoba, CANADA
R3C 3L6

(204) 945-2500

INCORPORATION UNDER THE CORPORATIONS ACT

To incorporate in the Province of Manitoba, the following procedure must be followed:

STEP 1: RESERVATION OF CORPORATE NAME (valid for 90 days only)

(a) Complete legibly Request for Corporate Name Reservation (Form 25), in duplicate. Note guidelines on reverse side.
(b) Submit with the prescribed corporate name reservation fee of $25.00 to the above address.

If the name is available one copy of the Request and both copies of the NUANS printout will be returned to Applicant. When these are received, Step 2 may be completed.

If the name is not available, a new name must be selected and Step 1 repeated.

STEP 2: SUBMIT ARTICLES OF INCORPORATION:
(within 90 days of reservation of name)

(a) Use prescribed Form 1 (2 pages) for corporation with share capital.
(b) Use prescribed Form 2 (2 pages) for corporation without share capital.
(c) Complete appropriate Articles of Incorporation legibly (handprinted or typewritten) in duplicate.
(d) Submit with Transmittal Notice in duplicate properly completed; approved Corporate Name Request; original copy of NUANS report, and appropriate prescribed fee.

FEES

(a) A corporation with share capital is $250.00
(b) A corporation without share capital is $60.00

Payable by currency, money order, or certified cheque to the Minister of Finance.

N.B. WHEN SUBMITTING BY POST, PLEASE SEND MONEY ORDER OR CERTIFIED CHEQUE. DO NOT SEND CURRENCY BY MAIL.

JAN 1987

FORM 1

INSTRUCTIONS FOR COMPLETING - ARTICLES OF INCORPORATION (SHARE CAPITAL) - THE CORPORATIONS ACT

TRANSMITTAL NOTICE - A Transmittal Notice in duplicate (Form 19), properly completed, must accompany the Articles.

PARAGRAPH 1 - NAME - The name of the proposed corporation should be set out in this space. The corporate name must include one of the words "Limited", "Limitee", "Incorporated", "Incorporee" or "Corporation" (or one of the abbreviations "Ltd.", "Ltee", "Inc." or "Corp."). The name must be PRECLEARED (see page 1).
N.B.: THE RESPONSIBILITY FOR THE SELECTION OF A NAME IS THAT OF THE INCORPORATOR.

PARAGRAPH 2 - REGISTERED OFFICE - The civic address (where a multi-office building, include the room number) of the registered office of the corporation must be set out in full, including the postal code. A post office box alone is not an acceptable address for the registered office. If no civic address exists for the registered office; e.g. in the case of a farming corporation, insert the address of the physical location of the registered office, along with the postal address.

PARAGRAPH 3 - NUMBER OF DIRECTORS - A fixed number, or a minimum and a maximum number, should be stated.

PARAGRAPH 4 - NAMES AND ADDRESSES OF DIRECTORS - The names in full (including all given names - no initials) and the RESIDENCE addresses in full (including postal code - DO NOT INSERT POSTAL ADDRESS ALONE) of the director(s) must be set out. Where a director is not an incorporator, he must consent to being a director (Form 3) and such consent must accompany the Articles.

PARAGRAPH 5 - CLASSES AND ANY MAXIMUM NUMBER OF SHARES - The designation of the classes of shares should be listed, as well as the maximum number of shares (if any) in each class. The maximum consideration for which the shares may be issued, if any, should be inserted here. The concept of authorized capital has been abolished.

PARAGRAPH 6 - SHARE CONDITIONS - The specific rights and privileges, if any, which are to attach to each class of shares, must be listed here. If there are more than one class of shares, the specific share conditions MUST be listed. A schedule may be attached if space is not sufficient. N.B.: THE DEPARTMENT NO LONGER SCRUTINIZES SHARE CONDITIONS FOR ACCURACY OR CONFORMITY TO LAW. THIS IS THE RESPONSIBILITY OF THE INCORPORATOR.

PARAGRAPH 7 - SHARE TRANSFER RESTRICTIONS - Optional. If none, the words "Not Applicable" or "N/A" must be inserted.

PARAGRAPH 8 - RESTRICTIONS ON BUSINESS - Optional. If none, the words "Not Applicable" or "N/A" must be inserted.

PARAGRAPH 9 - OTHER PROVISIONS - Optional. If none, the words "Not Applicable" or "N/A" must be inserted.

PARAGRAPH 10 - DISSIMILAR NAME - This paragraph emphasizes that the responsibility to ensure that the proposed corporate name is sufficiently dissimilar from any existing corporate, business, etc., name or trademark rests upon the incorporator.

PARAGRAPH 11 - INCORPORATORS - The names in full and residence addresses of the incorporator(s) must be set out. A corporation may act as an incorporator, in which case the consent of the first director is required.

EXECUTION - Articles must be submitted in duplicate and both copies of the Articles must be signed; i.e. photocopies of signatures are not acceptable.

MANITOBA

FOR DEPARTMENTAL USE ONLY –
Corporation No. –

THE CORPORATIONS ACT **FORM 1**

ARTICLES OF INCORPORATION
(share capital)

1 – Name of Corporation

2 – The address in full of the registered office (include postal code)

3 – Number (or minimum and maximum number) of directors

4 – First directors

Name in full	Address in full (include postal code)

5 – The classes and any maximum number of shares that the corporation is authorized to issue

6 – The rights, privileges, restrictions and conditions attaching to the shares, if any

7 – Restrictions, if any, on share transfers

8 – Restrictions, if any, on business the corporation may carry on

9 – Other provisions, if any

10 – I have satisfied myself that, the proposed name of the corporation is not the same as or similar to the name of any known body corporate, association, partnership, individual or business so as to be likely to confuse or mislead.

11 – Incorporators

Name in full	Address in full (include postal code)	Signature

Note: If any First Director named in paragraph 4 is not an Incorporator, a Form 3 "Consent to Act as a First Director" must be attached. State the full civic address in paragraphs 2, 4 and 11 – a P.O. box number alone is not acceptable.

FORM 25

MANITOBA

THE CORPORATIONS ACT

REQUEST FOR CORPORATE NAME RESERVATION Fee $25.00

CAUTION: WHEN SELECTING A NAME NOTE THE CONDITIONS OF RESERVATION AND GUIDELINES ON THE REVERSE SIDE.

Name and address of applicant	Individual to be contacted: Tel.

Proposed name

Reason for reservation (indicate [X])

- ☐ New corporation
- ☐ Amalgamation
- ☐ Change of name _____ (set out name of corporation)
- ☐ Extra-provincial/Federal registration
- ☐ Continuance

Derivation of name (origin of distinctive feature, e.g. initials, coined word, etc.)

Nature of Business:

Consent will be obtained from

FOR DEPARTMENTAL USE ONLY

- ☐ The proposed name does not appear to be available because of the reason(s) stated on the reverse side (Section C).
- ☐ The proposed name appears to be available and, subject to the conditions on the reverse side, is reserved for 90 days until

REMARKS: _____

Date of reply _____ Corporations Branch _____

MG-10234

Submit forms in duplicate with the reservation fee of $25.00, payable to the Minister of Finance by currency, certified cheque or money order.

A. CONDITIONS OF RESERVATION

1. The use of a name is the sole responsibility of the user and the reservation by the Department does not relieve the user from the obligation to ascertain that the name is not confusingly similar to that of an existing trade mark or the name of any business or association.

2. If any confusion arises, the user has an obligation to change the name to a dissimilar name in the event that any representation is made, and it is established that the name is likely to confuse or mislead.

3. The reservation of a name is only the withholding of the availability of that name from use by another, and it is not to be construed as an undertaking that the said name will automatically be available. If any printing or other use of the name is made in advance, it will be done entirely at the risk of the user.

B. GUIDELINES FOR SELECTING A NAME

1. Determine whether there are existing similar trade names or trade marks by checking the records of other corporate jurisdictions, telephone directories, various trade publications, advertisements in newspapers or magazines of general circulation, etc., in addition to any name search report.

2. Consider the proximity of similar businesses, areas into which the applicant's business is likely to expand, and other circumstances.

3. Consider the reasons for non availability set out below.

C. REASONS FOR NON AVAILABILITY

☐ It is prohibited.

☐ It consists entirely of general words, i.e. too general, or only descriptive of the business.

☐ It is primarily or only a surname/geographic name.

☐ It is too similar to name(s) on the attached report.

☐ It is on public grounds objectionable.

☐ A distinctive element should be added.

☐ Descriptive/better descriptive word should be added.

☐ A first name should be added.

☐ Note remarks on the reverse.

FORM 19

MANITOBA

THE CORPORATIONS ACT

TRANSMITTAL NOTICE

To be submitted in duplicate with the correct fee when filing documents or requesting any service.
(Fill in name and address of sender below)

Date _____

Fee enclosed $_____

_____

_____

_____

_____

☐ Articles of

☐ Registration/Supplementary Registration

☐ Copies of documents, certificates, etc.

Name and Phone No. of individual to be contacted _____

N.B. Articles of Incorporation, Application for Registration, or any change of name must be accompanied by a NUANS (name search) report issued at the request of the Corporations Branch, Manitoba, and dated not more than 90 days from date of filing of documents. Failure to do so will result in the documents being returned.

Complete this section when filing any change or requesting documents.

Name of Corporation _____

Corporation Number _____

N.B. The corporation number is the file number assigned to the corporation by this Branch and its insertion in this paragraph would expedite service requested.

Copies of the following certificates, documents, etc. are requested:

Certified copy of _____

Photocopy only of _____

Certificate of status _____

Other _____

FOR DEPARTMENTAL USE ONLY

☐ The abovementioned documents and endorsed Certificate are enclosed herewith.

☐ Copies of documents or certificates requested are enclosed herewith.

☐ See Deficiency Notice on the reverse side.

Remarks: _____

_____

_____

Date of reply _____ Corporations Branch _____

(Cash register endorsement hereon is your receipt)

Corporations and Business Names Branch
10th Floor, 405 Broadway
Winnipeg, Manitoba
R3C 3L6

Telephone: (204) 945-2500

DEFICIENCY NOTICE

PLEASE RETURN THIS NOTICE WITH REPLY

Your documents are returned for completion/revision of the item(s) marked x

- ☐ Forms not properly completed. Note paragraph(s)
- ☐ Original NUANS report required (photocopy not acceptable).
- ☐ Name not the same as NUANS report enclosed.
- ☐ NUANS report expired - dated more than 90 days from date of filing of documents.
- ☐ Name not available.
- ☐ Documents are not in the form prescribed.
- ☐ Duplicate originals of documents must be submitted.
- ☐ Original signatures required on both copies.
- ☐ Documents not legible/not compatible with microfilming process.
- ☐ Prescribed fee.
- ☐ Consent to Act as First Director required.
- ☐ Consent to use of name required from
- ☐ Undertaking to dissolve/cancel/or change existing name required from
- ☐ Certificate of Status dated not more than 90 days from the date of filing application is required.
- ☐ Annual Returns for the year(s) 19
- ☐ Accompanying fee returned
- ☐ Also note remarks on the reverse.

Manitoba

REGISTERING A BUSINESS NAME

UNDER THE BUSINESS NAMES REGISTRATION ACT OF MANITOBA

To register a business name, these steps must be followed:

STEP 1: RESERVING THE NAME:

Complete two copies of Form #8 - **REQUEST FOR BUSINESS NAME RESERVATION.** *Please type or print clearly in ink.* Please read the notes on the reverse side of that form.

Send BOTH copies of Form #8 with $10.00 to the Corporations Branch , 1010-405 Broadway, Winnipeg, Manitoba, R3C 3L6. Please do not send cash by mail. Cheques should be made out to the Minister of Finance of Manitoba.

When our office looks at the report, we will either reserve or not reserve the name. If the name is reserved Step 2 should be done within 90 days of the reserving. If the name is not reserved, a new name must be chosen, and Step 1 done over again.

STEP 2 : REGISTERING THE NAME:

If the name was reserved, complete and sign two copies of Form #1 - **REGISTRATION OF BUSINESS NAME**. *Please type or print clearly in ink.*

Send BOTH copies of Form #1 with $20.00 to the Corporations Branch, 1010-405 Broadway, Winnipeg, Manitoba, R3C 3L6. Please do not send cash by mail. Cheques should be made out to the Minister of Finance of Manitoba.

If you want to send both the reservation and the registration forms in at the same time, make sure there are two separate cheques. If not , our office will send everything back .

Special Notes:

1. A business name cannot have Ltd., Inc., or Corp. as part of its name.
2. A business name reservation cannot be used for a corporation name.
3. A corporate name reservation will be needed if incorporation is desired.
4. A name reserved under the Corporations Act may be used for a business name registration.
5. A reservation under the Business Names Registration Act only shows names registered in Manitoba. A reservation under the Corporations Act shows much more. The Trademarks and names registered in other provinces are shown. An owner of a business may find this very useful. Please note that a business or corporate name is reserved for registration in Manitoba only.
6. If a corporation is registering the business name, that corporation must be on the active records of the Corporations Branch of Manitoba.

ANY QUESTIONS?

Please call 945-2500 between 8:30 and 4:30, Monday to Friday.

Manitoba

The Business Names Registration Act
Loi sur l'enregistrement des noms commerciaux

REQUEST FOR BUSINESS NAME RESERVATION
DEMANDE DE RÉSERVATION D'UN NOM COMMERCIAL

CAUTION : RESPONSIBILITY FOR CHOICE AND USE OF THE NAME RESTS ENTIRELY WITH THE APPLICANT. READ THE GUIDELINES ON REVERSE BEFORE ANSWERING ALL QUESTIONS
ATTENTION : LE CHOIX ET L'UTILISATION DU NOM INCOMBENT AU REQUÉRANT. LIRE LES DIRECTIVES QUI FIGURENT AU VERSO AVANT DE RÉPONDRE AUX QUESTIONS

A

Name and address of sender / Nom et adresse de l'expéditeur

Contact person/ Personne ressource

Tel (8:30-4:30) / Tél (8 h 30-16 h 30)

B

1. Proposed name / Nom projeté

2. Reason for reservation / Motif de la réservation

- ☐ NEW REGISTRATION / NOUVEL ENREGISTREMENT
- ☐ NAME NOTATION / INSCRIPTION DU NOM
- ☐ CHANGE OF NAME FROM / CHANGEMENT DE NOM DE _____
  Current name / Nom actuel

3. Describe the main type of business to be carried on / Indiquer l'entreprise principale qui sera poursuivie

4. How or why name was chosen / Indiquer les raisons du choix du nom

5. Note any other relevant information (e.g. names of affiliated businesses, consents available from other companies, etc)
Donner tout autre renseignement pertinent (e.g. le nom des entreprises qui appartiennent au même groupe, le consentement d'autres compagnies , etc.)

C

OFFICE REPLY / RÉPONSE

☐ **YES,** the name appears to be available, and is reserved for you for **90 DAYS** until
OUI, le nom semble disponible et il est réservé pour **90 JOURS** jusqu'au

☐ **NO,** the name is not available. Please see reasons on reverse.
NON, le nom n'est pas disponible pour les motifs indiqués au verso.

REMARKS / REMARQUES : _____

DATE / DATE SIGNATURE/ SIGNATURE TEL /TÉL

MG - 13331 (REV 03/91)

FORM 8 / FORMULE 8

SEND FEE AND TWO COPIES OF THIS FORM TO :

CORPORATIONS AND BUSINESS NAMES BRANCH
1010-405 BROADWAY
WINNIPEG, MB R3C 3L6
(204) 945-2500

FAITES PARVENIR LE DROIT ET DEUX COPIES DE LA PRÉSENTE FORMULE À :

CORPORATIONS ET NOMS COMMERCIAUX
405, BROADWAY, BUREAU 1010
WINNIPEG (MANITOBA) R3C 3L6
(204) 945-2500

GUIDELINES

1. A business name reservation request results in a report that will only list names in use in Manitoba.

2. A business name search cannot be used for an incorporation. If you want to incorporate , file a **REQUEST FOR CORPORATE NAME RESERVATION** instead. Some people like to get the corporate name report because, in addition to the names in use in Manitoba , it shows trademarks and some names in use in other Canadian jurisdictions.

3. It is your responsibility to ensure that the name you choose is not identical or confusingly similar to an existing trademark, business, association or corporation. If anyone complains about your name, and that complaint is held valid, it will be your obligation to change your name.

4. You can check for similar names by reading telephone directories, trade publications, magazines, advertisements, and by contacting the corporations branches in other jurisdictions.

5. Reservation of a name is not "protection" or a "guarantee" that your name is automatically available. Use of a name is done at the risk of the user.

6. Only ONE name can be requested on this form. If a name is not available, a new name must be selected, a new reservation form AND FEE will have to be filed. Careful selection and research of a name may save you time and money.

7. Read the reasons for rejection listed below. These may help in choosing a name.

DIRECTIVES

1. Le rapport établi par suite d'une demande de réservation de nom commercial ne fait qu'énumérer les noms en usage au Manitoba.

2. La demande de recherche de nom commercial ne sert pas à des fins de constitution en corporation. Si vous désirez vous constituer en corporation, présentez plutôt une **DEMANDE DE RÉSERVATION D'UNE DÉNOMINATION SOCIALE.** Le rapport de noms commerciaux peut être utile en ce sens qu'il ne présente pas seulement les noms en usage au Manitoba mais aussi certaines marques de commerce et certains noms en usage ailleurs au Canada.

3. Il vous incombe de veiller à ce que le nom que vous choisissez ne soit pas identique et qu'il ne ressemble pas de façon confondante à des marques de commerce, à des noms commerciaux, à des noms d'associations ou à des dénominations de corporations existants. Si quelqu'un portait plainte au sujet de votre nom et que cette plainte s'avérait fondée, vous devriez alors changer de nom.

4. Vous pouvez vérifier s'il existe des noms similaires en consultant les annuaires téléphoniques, les publications commerciales, les magazines, la publicité et en communiquant avec la direction des corporations d'autres administrations.

5. Le fait de réserver un nom ne constitue pas une assurance ni une garantie de sa disponibilité. L'utilisation d'un nom se fait au risque de l'utilisateur.

6.La présente formule ne permet de demander qu'un SEUL nom. En cas de non-disponibilité d'un nom, il faut choisir un nouveau nom, déposer une nouvelle formule de réservation et payer de nouveau le droit. Choisissez soigneusement votre nom et procédez à la vérification appropriée. Vous épargnerez ainsi temps et argent.

7. Lisez les motifs de rejet ci-dessous. Cela facilitera le choix d'un nom.

REASONS FOR REJECTION OF NAME / MOTIFS DE REJET D'UN NOM

- ☐ Prohibited / Nom interdit
- ☐ Consists of general words or only describes the nature of business
  Nom formé entièrement de termes généraux ou ne faisant que décrire la nature de l'affaire
- ☐ Consists of surname or geographical name only /
  Nom formé uniquement d'un nom de famille ou d'un toponyme.
- ☐ Too similar to name(s) on attached report
  Nom trop semblable à un ou plusieurs des noms figurant dans le rapport ci-joint
- ☐ Obscene or on public grounds objectionable / Nom obscène ou inadmissible pour des raisons d'ordre public
- ☐ Distinctive element should be added / Il manque un élément distinctif
- ☐ Descriptive element should be added / Il manque un élément descriptif
- ☐ Read remarks on the front / Lire les remarques au recto.

REGISTRATION

Form 1

UNDER THE BUSINESS NAMES REGISTRATION ACT

Submit in duplicate with prescribed fee of $20.00 to:
CORPORATIONS BRANCH
Department of Consumer and Corporate Affairs
10th Floor, 405 Broadway
Winnipeg, Manitoba R3C 3L6

Cash register endorsement here is your official receipt.

..... - Business Name

..... - Address to which duplicate

..... registration is to be mailed.

..... Please include POSTAL CODE.

I (We) ..... of .....
(full name) (residence, giving street, number and zone)

..... of .....
(full name) (residence, giving street, number and zone)

..... of .....
(full name) (residence, giving street, number and zone)

all in the Province of Manitoba, DO HEREBY DECLARE

(1) That I (We) am (are) carrying (intend to carry) on business as.....
(nature of business)

at ..... in the Province of Manitoba
Address (Street and No., P.O. Box No., etc.) (City, Town, etc.)

under the firm name and style of .....
(Business Name)

(2) That I (We) commenced (intend to commence) business under the said name on the .....

day of ..... 19 ..... .

(3) That I (We) have satisfied myself (ourselves) that the proposed business name of the company under which registration is sought is not the business name of any other known firm, company or association incorporated or unincorporated, or any name liable to be confounded therewith or otherwise on public grounds objectionable.

(4) That no other firm, person or corporation is associated with me (us) in the said business.

Dated at ..... in the Province of Manitoba, this .....

day of ..... 19 ....
(signature)

.....
(signature)

.....
(signature)

FOR DEPARTMENTAL USE ONLY.

Filed in the Corporations and Business Names Branch, Manitoba, on .....

This registration is for a period of three years and will expire on .....

MG-897 (a)

*(The duplicate copy will be returned for your records.)

FORM 3

THE CORPORATIONS ACT

Province of Manitoba

Consent to Act as a First Director

I, _____
(Name in Full, Including All Given Names)

residing at _____
(Street and Number or R.R. Number, Municipality or Post Office)

hereby consent to act as a first director of

_____
(Name of Corporation)

Dated this _____ day of _____, 19 ____.

_____ _____
(Signature of Witness) (Signature of the Consenting Person)

THE CORPORATIONS ACT

SEE INSTRUCTIONS ON BACK OF DUPLICATE COPY

ANNUAL RETURN FOR

COMPLETE AND RETURN THIS COPY BEFORE

For Department Use Only

1 NAME & ADDRESS

2 JURISDICTION

3 DATE INCORPORATION AMALGAMATION

4 LAST ANNUAL RETURN

5 REGISTERED OFFICE

6 DIRECTORS OF MORE THAN 4 USE ATTACHMENT

OFFICE

OFFICE

OFFICE

OFFICE

7 OFFICERS (ONLY AND NAMES OF MORE THAN 2 USE ATTACHMENT

OFFICE

OFFICE

8 REGISTERED HOLDERS OF 10% OR MORE VOTING SHARES OF MORE THAN 5 USE ATTACHMENT

NAME	NO	CLASS	NAME	NO	CLASS

9 ATTORNEY FOR SERVICE IN MANITOBA

10 MAIN TYPE OF BUSINESS CARRIED ON

11 ☐ Distributing ☐ Non-Distributing

Certified true and correct

Per _____ Office _____ Title _____

■ Manitoba New Small Business Tax Reduction

The Small Business Tax Reduction, introduced in the August 1988 Budget, provides income tax relief to new small business corporations for the first five taxation years. The relief currently applies to corporations incorporated under The Corporations Act, The Co-operatives Act, or The Credit Unions and Caisses Populaires Act from August 8, 1988 to December 31, 1990.

The eligibility period for new corporations will be extended by one year to December 31, 1991.

This program recognizes the importance of entrepreneurship in Manitoba, and the difficulties encountered in launching new businesses.

In their first year of operation, eligible new small businesses will be exempt from provincial corporation income tax on the first $200,000 of active business income. For the next four years, they pay tax at a reduced rate.

New Small Business Tax Reduction

New Corporation's Taxation Year	Net Manitoba Tax Rate*
First	0 %
Second	2
Third	4
Fourth	6
Fifth	8
Sixth	10

**Applies to the income allocated to Manitoba on which the Small Business Deduction is allowed.*

This program is administered by the Manitoba Department of Finance and by Revenue Canada. Inquiries may be directed to:

Manitoba Tax Assistance Office
Room 309, Norquay Building
Winnipeg, Manitoba
R3C 0P8
Telephone: (204) 943-3401 in Winnipeg
1-800-782-0771 outside Winnipeg (toll free)

EFFECT OF NOT FILING

This annual return under The Corporations Act must be filed each year in order to maintain the corporation on our active file. Failure to file annual returns for 2 consecutive years will result in the dissolution of a Manitoba corporation, and the cancellation of the registration of all other corporations. Upon dissolution, a Manitoba corporation ceases to exist and cannot carry on any business after the date of dissolution. Upon cancellation of the registration, all other corporations are no longer qualified to carry on business in Manitoba.

INSTRUCTIONS FOR COMPLETION

Items 1, 2, 3, 4, 5, & 9 — DO NOT make any change to these items except as set out below.

NB — CHANGES, IF ANY, MUST BE MADE IN THE SPACE PROVIDED IN EACH SECTION.

Items 6 & 7 — If there has been a change of director or officer, state name and address of new director or officer. A Manitoba corporation must state the date elected, and the date the previous director ceased to be a director or officer. Make corrections in spelling, or change of address, if any.

Item 8 — Make changes or corrections, if any. This item does not apply to corporations without share capital.

Item 10 — If the type of business or the SIC (Standard Industrial Classification) code is shown incorrectly, make appropriate change.

Item 11 — Distributing means a public corporation. Non-Distributing means a private corporation. Please insert X in appropriate box provided. If none is shown, or make appropriate change if information is shown incorrectly. This item does not apply to corporations without share capital.

EXCEPTIONS

Item 1 — Non-Manitoba corporations may include an attachment showing any change in the mailing address.

Items 1, 2, & 3 — Concurrently non-Manitoba corporations must file an Application for Supplementary Registration (Form 8) if there has been a change of name - item 1, a change of jurisdiction (continuance) - item 2, or an amalgamation - item 3. Forms are obtainable on request.

Item 5 — Corporations must make NO change here if the registered office address is incorrect, but must include an attachment showing the correct address of the registered office and the date it was changed.

Item 9 — The attorney for service of the corporation is the authorized or registered agent, resident in Manitoba, appointed to accept service of documents on behalf of the corporation. If the name or address of the attorney shown is incorrect, you may make a correction in the space provided on the right. If there is a new attorney, complete and attach prescribed Form 8 in duplicate, appointing that person, and the fee of $30.00.

EXECUTION

Item 12 — The information stated on the return shows the information currently on the records of the Corporations Branch. The return must be signed by a director or officer of the corporation or any person having the authority to act as an agent on behalf of the corporation for this purpose. The information on the return must be true and correct as of the last day of the anniversary month of incorporation, e.g. if the corporation was incorporated on January 15, 1982, the annual return must be signed on or after January 31, and the information must be accurate as of January 31. It must be stated clearly whether the person signing is a director, officer or agent.

FEE AND RETURN ADDRESS

RETAIN THE PINK COPY FOR YOUR RECORDS AND RETURN THE WHITE ORIGINAL WITH THE APPROPRIATE FEE PAYABLE TO THE MINISTER OF FINANCE, OF

$30.00 FOR A CORPORATION WITH SHARE CAPITAL or
$10.00 FOR A CORPORATION WITHOUT SHARE CAPITAL

TO: THE CORPORATIONS AND BUSINESS NAMES BRANCH
1010 WOODSWORTH BUILDING
405 BROADWAY
WINNIPEG, MANITOBA, CANADA
R3C 3L6

TELEPHONE 945-2965
(ANNUAL RETURNS SECTION)

Your cancelled cheque is your receipt.